

ORDINANCE NO. 2017-0-

**AN ORDINANCE OF THE TOWNSHIP OF WARRINGTON,
BUCKS COUNTY, PENNSYLVANIA,
AMENDING CHAPTER 13 OF THE TOWNSHIP'S
CODE OF ORDINANCES TO CREATE A NEW
PART 6 TITLED "PAWNBROKERS AND
DEALERS IN PRECIOUS METALS, ANTIQUES
AND SECONDHAND OR USED GOODS" AND
PROVIDING REGULATIONS FOR THE SAME**

WHEREAS, Warrington Township, Bucks County, Pennsylvania, desires to amend Chapter 13 by creating a new Part 6 titled "Pawnbrokers and Dealers in Precious Metals, Antiques and Secondhand or Used Goods" to provide regulations for the same.

NOW, THEREFORE, it is hereby ENACTED and ORDAINED by the Board of Supervisors of Warrington Township, Bucks County, Pennsylvania that Chapter 13 Licenses, Permits and General Business Regulations is amended to provide as follows:

Section 1. A new Part 6 is hereby created as follows:

Part 6. Pawnbrokers and Dealers in Precious Metals, Antiques and Secondhand or Used Goods

601. Definitions

Business days – Excludes Saturdays, Sundays and Federal or State legal holidays.

Dealer – A pawnbroker, dealer in precious metals, antique dealer and/or secondhand dealer.

Dealer in precious metals – An individual, partnership, association, corporation or business entity, who or which purchases precious metals from the general public for resale or other commercial disposition, or any individual who acts as agent for such individual, partnership, association, corporation or business entity for such purchase or purchases.

Government identification – An unexpired document issued by the Federal Government, the Commonwealth or any other state government, the District of Columbia, the Commonwealth of Puerto Rico or any United States territory that includes all of the following: the name, age, and address of the seller; a photograph of the seller; an expiration date.

Item – Personal property, precious metal, antique and/or secondhand or used good.

Minor – Any person under the age of 18.

Pawnbroker – An individual, partnership, association, corporation, or other business entity, including an itinerant merchant, doing business in the Township that lends money in exchange for personal property deposited by a pledger as security that can be sold if the loan is not repaid within a specified period, and/or engages in purchase and re-sale of any merchandise from a pledger or seller.

Pledge – An article and or articles deposited with a Pawnbroker as security for a loan or currency, in the course of his/her business as defined in the preceding section.

Pledger – The person who obtains the loan from a Pawnbroker and delivers a Pledge into the possession of a Pawnbroker, unless such person discloses that he/she is or was acting for another, in which case a “pledger” means the disclosed principal.

Precious metals – Items containing or being of gold, silver or platinum, including, but not limited to, jewelry and silver services, but excluding coins, ingots, bullion or photographic film or any article containing less than 5% of gold, silver or platinum by weight.

Precious metal dealer – An individual, partnership, association, corporation, or other business entity including an itinerant merchant doing business in the Township that purchases or makes appraisals of Precious metals and their alloys for resale to refiners, brokers or the public.

Secondhand dealer or antique dealer – An individual, partnership, association, corporation, or other business entity including an itinerant merchant doing business in the Township that purchases or makes appraisals of secondhand or used goods for resale or refining, or an individual who acts as an agent for such individual, partnership, association, corporation, or other business organization or entity.

Secondhand or used good – One that is being purchased by or otherwise transferred to a second or later end user.

Seller – The person who obtains payment from a Dealer in return for the sale of any merchandise to the Dealer.

Transaction – A purchase, sale or loan by any Dealer.

602. Licenses and Registration

1. License Required. No person shall act as a Dealer unless he or she had obtained a license from the Township for each location from which that person intends to operate.

2. Registration. No person shall act as a Dealer unless he or she pays an annual registration license fee of \$200.00 for each location from which the applicant intends to operate.

3. Pawnbrokers License. No license to act as a Pawnbroker shall be issued by the Township unless the Applicant has been licensed first by the Commonwealth of Pennsylvania as required by the Pawnbrokers License Act, 63 P.S. 281-1, et seq.

603. Records Required

1. All Dealers are required to maintain records of all Transactions, including but not limited to, Pledges, loans, purchases and sales. Records shall be kept in the English language.

2. All records shall include the following information:

- a. Date of sale;
- b. Time of sale;
- c. Location of sale;
- d. Make;
- e. Model;
- f. Serial number;
- g. Model number;
- h. Description;
- i. Color;
- j. Special markings of the Pledge or sale Item;
- k. Currency amount paid to Pledger and/or Seller;
- l. Copy of the Pledger/Seller Government Identification.

3. A color photograph shall be produced for all Items. A color photograph shall be produced for all Precious Metals received. The photograph shall be: taken from two different perspectives; no less than 1:1 scale; and of sufficient size and clarity to identify any distinguishing details of a purchased Item, including identifying marks, initials, insignias, inscriptions or other unique identifying features.

4. A photograph of the Seller, directly facing the camera in full-face view, of sufficient size to ensure that the head measures between 1 and 1/38 inches from the bottom of the chin to the top of the head.

5. A copy of all Pledge and/or sale Transactions containing this information shall be retained at the location of the business for a period of two (2) years after the date of Transaction, payment, loan or sale of the Pledge, whichever is later.

604. Weighing devices

1. All scales or other devices used by Dealers to weigh Precious Metals must be of a type approved for commercial use in the Commonwealth of Pennsylvania and must be inspected and sealed by the Pennsylvania Bureau of Ride and Measurement Standards' Weights and Measures Division.

2. Dealers must notify the Pennsylvania Bureau of Ride and Measurement Standards' Weights and Measures Division whenever a weighing device referred to in subsection (1) above is moved from one location to another.

605. Identification of Pledger/Seller

The Dealer shall obtain the following information from the Pledger and or Seller for the purposes of establishing identification of each Pledger and or Seller:

1. A photocopy of verified Government Identification.
2. An accurate physical description of the Pledger and or Seller including race, gender, eye and hair color and identifying marks, if any.

606. Stolen property

A Dealer may seize any Item offered in a sale or Pledge which he/she has reason to believe is stolen property. The Dealer shall issue a seizure receipt to the person presenting such property in Pledge and shall immediately deliver such seized property together with a copy of the seizure receipt to the Township Police Department.

607. Electronic filing

1. Responsibility of Township.
 - a. The Township Police Department shall enter into an agreement with an online entity which operates an electronic database for law enforcement agencies for the purpose of identifying stolen merchandise and persons suspected of thefts.
 - b. The entity chosen by the Township Police Department to administer the electronic inventory tracking system shall insure that all data remain secure and confidential by providing to each Dealer login security protocols which meet current industry standards, and shall employ state of the art technology to protect the data from all forms of unauthorized access and malicious intrusion.
2. Responsibility of Dealer.
 - a. Each Dealer doing business in the Township shall, within 30 days of the adoption of this Chapter, maintain an electronic inventory tracking system which is capable of securely and confidentially uploading all Transactions via computer to the entity designated by the Township Police Department.
 - b. No later than the conclusion of each business day, every Dealer must upload, in the manner specified by the Police Department, the required tracking information for all Transactions during the course of business on that day.
 - c. The Township Police Department may, by virtue of this Chapter, require a fee of up to \$400.00 per location to defray the costs of the internet-accessible electronic inventory tracking system.

608. Holding period and inspection

1. All Items shall be kept in unaltered condition, available for inspection by law enforcement officials in the course of their law enforcement duties, for ten (10) full Business Days following a Transaction by a Dealer or a data upload as specified in Section 607 above.

2. Law enforcement officials shall not require a search warrant to inspect the Item, unless the inspection is made during hours other than regular business hours.

3. During the holding period, any Item subject to the holding period shall be segregated from other inventory to insure that it is not placed in an area or section where personal property and or Precious Metals are offered for sale. Where any Items is held off the premises, the Dealer shall make the Item available for inspection within 24 hours after receiving a request for inspection by law enforcement officials.

4. Any law enforcement official who has reason to believe any Item was not sold or exchanged by the lawful owner may direct the Dealer to hold the Items for a reasonable length of time that the law enforcement official considers necessary to identify it.

609. Business with minors

All business Transactions between Dealers and Minors are prohibited.

610. Violations and penalties

1. Fines. Any person and/or Dealer who violates, fails, neglects or refuses to comply with any provision of this Chapter shall pay a fine not exceeding \$600.00 and costs and, in default of payment thereof, shall be subject to imprisonment for a term not exceeding 30 days. Each day that a violation of this Chapter continues shall be considered a separate offense.

2. Dealer's license suspension. In addition to the fines specified in subsection 1 above, a Dealer who violates any provisions of Chapter shall have his license(s) suspended.

a. The Dealer's license shall be suspended for 90 days for the first offense.

b. The Dealer's license shall be suspended for a period of one year upon each succeeding violation.

3. Suspension of Dealer's license

a. If a Dealer's license is suspended, the Township shall provide written notice of the suspension to the Secretary of Banking for the Commonwealth of Pennsylvania. The Secretary of Banking shall then conduct a hearing to ascertain if the Dealer's license shall be revoked.

b. If the Secretary of Banking for the Commonwealth of Pennsylvania revokes the Dealer's license, the Dealer shall be prohibited from ever obtaining an operating

license in the Township, regardless if the Secretary of Banking for the Commonwealth of Pennsylvania reinstates the Dealer's license.

c. No operating license shall be issued when any Dealer's license has been revoked by the Secretary of Banking for the Commonwealth of Pennsylvania, where the Dealer retains a property interest in the location where the operating license was suspended or the Pawnbroker retains a pecuniary interest in the corporation or any affiliated business entities therein.

4. Cease operations

a. During any period of license suspension, the Dealer shall cease operation at each and every location of the Dealer's business.

b. Cease operations order.

1. The Township shall issue a cease operations order for each business location operated by the Dealer whose license(s) has/have been suspended in accordance with the Township Administrative Code.

2. The cease operations order shall identify the prohibited operations and shall state that the applicable license has been suspended for violation(s) of the Code.

3. The cease operations order shall be in force for the full period of any license suspension, and shall set forth this period in the order.

4. The Township shall not remove any posted cease operations order until the Township is satisfied that all suspended licenses have been restored, or the property interests in the location have been changed so that neither the person or Dealer under license suspension, nor any member of his immediate family, or in the case of a corporation, the corporation or any affiliated business entities, retain a pecuniary interest therein.

5. License at cease operations location. No person or Dealer shall be issued a license for a business location that has been posted with a cease operation order, as long as any person under a license suspension or revocation, or any member of that person's immediate family, or in the case of a corporation, the corporation or any affiliated business entities, retain a pecuniary interest in the property at that location.

Section 2. Repealer. This Ordinance hereby repeals any provision inconsistent with this Ordinance now in effect or of other Ordinances, to the extent of such inconsistency. All other provisions of the Ordinances of Warrington Township, not inconsistent herewith, shall remain in full force and effect.

Section 3. Severability. The provisions of this Ordinance are declared to be severable. If any provision of this Ordinance is determined by a court of competent jurisdiction to be invalid or unconstitutional, such determination shall have no effect on the remaining provisions of this Ordinance

Section 4. Effective Date. This Ordinance shall become effective five (5) days after its adoption.

ENACTED AND ORDAINED on this ____ day of _____, 2017.

BOARD OF SUPERVISORS OF WARRINGTON TOWNSHIP

ATTEST:

Barry P. Luber
Township Manager

Shirley A. Yannich, Chair

Fred R. Gaines, Vice Chair

Matthew W. Hallowell, Sr., Member

Millie A. Seliga, Member

Carol T. Baker, Member